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## The world

# Ex-CIA agent denies selling arms illegally to Libya

NEW YORK (UPI)—Former CIA agent Edwin Wilson Monday denied he was an arms merchant for Libya and characterized himself as a loyal American who would fight for the United States in any war against Libya.

The controversial and enigmatic figure, under indictment in the United States for illegally supplying arms to Libya, said he would return home to stand trial when he thought he could get a fair hearing.

"As long as there's a great deal of anti-Libyan feeling in the United States, the press is going to continue to give my situation flamboyant and distorted coverage.

"The Justice Department has fed the press a continual diet of half-truths and leaks . . . I will go back when the time is right—but for the moment, I'm quite happy here."

IN AN INTERVIEW in Tripoli published in the current issue of People magazine, Wilson said his relations with Libya were perfectly legal and that he had never done a thing to hurt America.

"I have always considered myself to be a loyal and good American," Wilson said in the article. "If there were to be a war between Libya and the U.S., I'd definitely fight on the United States' side.

"The Libyans understand and respect me for that. I don't think it's wrong to work in Libya, and I don't think that anyone should be considered to be against the United States because they work here. My export-import company is a legitimate, honest business."

Wilson denied vehemently that he supplied Libya with American explosives, saying he had only been involved with the timers, which he claimed were to be used only for training purposes.

HE ACCUSED THE press of grossly exaggerating the number of timers he had supplied. He said the actual order was for 300 to 400—not the 300,000 to 500,000 published in various newspapers.

Wilson also "unequivocally" denied that his CIA connections helped him in his business; that he tried to purchase a Redeyeh missile for the Libyans; that he enlisted Green Berets to train terrorists in Libya; and that he had ever met Libyan leader Col. Moammar Khadafi.

"First of all, let me say I wouldn't know a

terrorist if I saw one," Wilson said. "I've never seen or heard of any kind of that activity, and I've traveled freely all over Libya.

"Since the Justice Department has interviewed a number of former Green Berets who have worked for me, they know I've never trained anyone to be a terrorist."

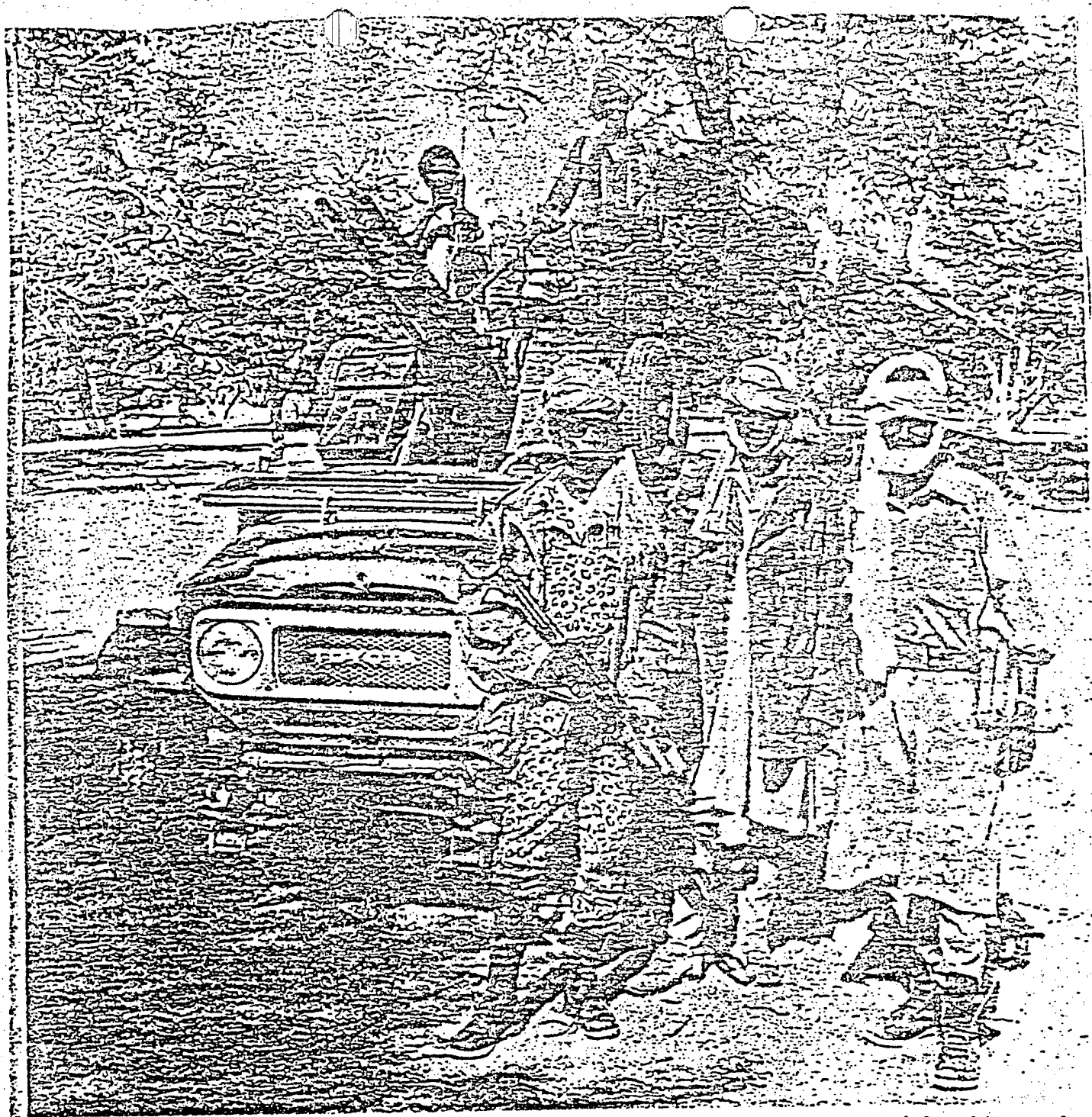
WILSON ADMITTED, however, that he was involved with the training of young Libyans at a camp in Benghazi where former Green Berets in his employ taught "raw, young, some barely teenagers" basic demolition, "the kind that would be used to blow up bridges, roads, or trees."

"There are four or five former Green Berets there," Wilson said. "But let me say, I'm sick and tired of hearing how I'm training terrorists."

Former CIA agent  
Edwin Wilson:

"... I wouldn't know a terrorist if I saw one. I've never seen or heard of any kind of that activity [in Libya]."





program for international terrorists.

Ed Wilson's background hardly suggests a traitor in the making. A farm boy from Nampa, Idaho, he graduated from the University of Portland into the Marine Corps during the Korean War. Four years later he joined the CIA. Until 1971, he says, he served as a "low-level operative," then switched to a naval intelligence team monitoring weapons movements around the world. Somehow, even before leaving government service in 1975, he was doing well enough financially to buy a 2,000-acre Virginia farm currently valued at some \$9 million.

Until now Wilson has never talked at

length about the shadowy years that followed. Then last month he invited free-lance journalist Peter Malatesta to spend 10 days with him in Tripoli. Malatesta is no stranger to complex men. He has been an aide to Vice-President Spiro Agnew, a business partner of former Korean lobbyist Tongsun Park and an owner of Pisces, an exclusive private club in Georgetown. He is the author of *Party Politics*, an examination of the social side of Washington to be published this spring by Prentice-Hall. His next project is a book about Wilson.

Malatesta found his subject's life to be a lonely one. Wilson's estranged

Wilson is accused of supplying arms for the border fighting in which Chad guerrillas captured this Libyan jeep.

wife and two sons live in the U.S., and, given the Islamic prohibitions against drinking and nightclubbing, his main pleasures are imported American food, novels, history books and videotaped adventure films.

The interview which follows is hardly forthcoming; Wilson's responses throughout are rigorously self-serving. Yet in his portrayal of an innocent businessman wrongly accused by disgruntled employees, Wilson does reveal himself, however unwittingly.

On trial for attempted murder of a Libyan dissident, ex-Green Beret Eugene Talbot says that Wilson still owes him \$35,000.



*You have been called a traitor. How do you feel about that?*

I haven't done anything to hurt the United States. I have always considered myself to be a loyal and good American. If there were to be a war between Libya and the U.S., I'd definitely fight on the United States' side. The Libyans understand and respect me for that. I don't think it's wrong to work in Libya, and I don't think that anyone should be considered to be against the United States because they work here. My import-export company is a legitimate, honest business.

*But the U.S. government is clearly at odds with Colonel Qaddafi's government.*

It's not my problem. I'm a businessman. I don't care to get into politics. In years past Libya and the U.S. have been friends. I'm hopeful that this again will be the case. After all, we're still buying their oil, aren't we?

*How did you get involved with Libya?*

I first came here with Frank Terpil, a former CIA agent who, by the way, I had never known in the agency. We met at a party in 1978, and he told me about Libya. At the time I was tired of Washington so I decided to come down here and see what I could do. I broke



relations with Terpil in December '76 and I've not seen him since, except for a chance meeting in a hotel in Geneva two years ago. I found his personality was definitely on the paranoid side and that he had tendencies to make bombastic statements that were not true. I saw a potential in Libya to do business and I set out on my own. I've had nothing to do with Terpil since.

*Two high-ranking CIA agents were fired in April 1977 because of their association with you and Terpil. Did your CIA connections help you in business?*

I unequivocally deny that. As a matter of fact, in my business that is tantamount to losing any credibility I have, since the CIA is known to be a leaky organization, where information flows out as fast as it flows in. The last official contact I had with the agency was when I resigned in 1971. A number of

my former associates have asked me for a job or to help them out or loan them money. Socially I've had some contact, but businesswise I have not.

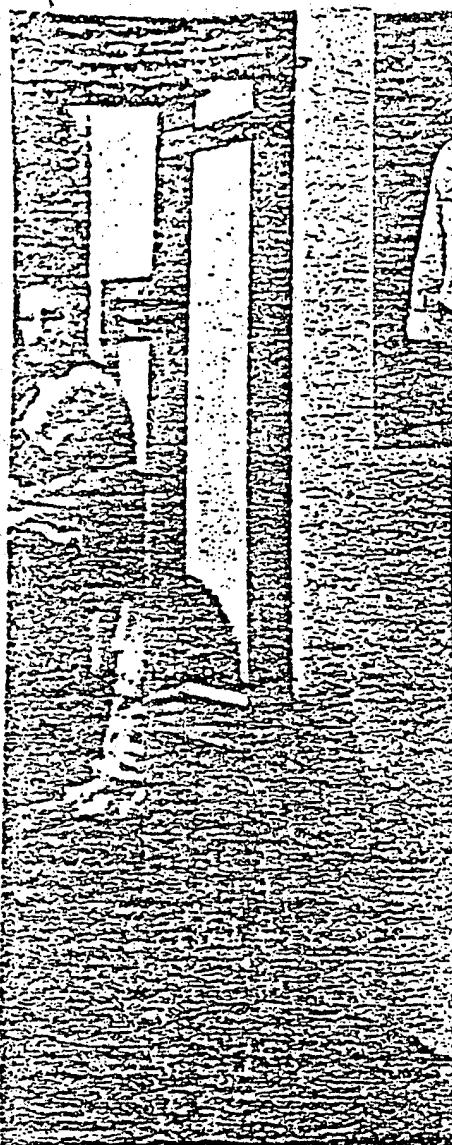
*How difficult was it for you to establish a business in Libya?*

I didn't have to do a thing. Terpil already had a contract with the Libyan government to furnish timers, which were to be used with booby traps. When these timers were purchased, the State Department had no restrictions on shipment or sale of this kind of electronic equipment.

*But you're accused of supplying Libya with American explosives.*

I was involved only with the timers, which were perfectly legal and were to be used only for training purposes. The newspapers have grossly exaggerated the number, saying the contract

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Security at the Fort Collins, Colo. courtroom is tight for the trial of Tafuya, who claims he was acting for the CIA.

Tafuya says his attack on Faisal Zagallal (left, in court) came on U.S. government orders to "slap him around a little bit."

quest to the people here who contract for such stuff and he was on his own from that time on.

*Your former associate Kevin Mulcahy charges that you not only sold munitions to the Libyans but also tried to purchase a Redeye missile for them.*

That is totally untrue. I never saw a Redeye missile and never sold one or any other arms from the United States or any equipment embargoed by the United States at any time. It is beyond me why the press will take some casual, paranoid comment from a disaffected former employee who was probably terminated for incompetence and print it as the truth.

*How many jet and helicopter pilots are you providing to Libya?*

We gave up the contracts on both operations retroactive to Oct. 1 because the Libyans are now quite capable of flying and maintaining their own planes. All the Britons and Americans are now gone. Over the past five years we have employed somewhere between 150 and 200 people, about half of them American.

*It has been said that without your help, Libya would have been unable to undertake its invasion of Chad. How do you respond to that?*

The Libyans' problems with Chad have nothing to do with me.

*Are other Americans besides your recruits involved in the Libyan government?*

I wouldn't know. I know very few Americans here. Most of my friends

*Is it true that you have enlisted Green Berets to train terrorists in Libya?*

First of all, let me say I wouldn't know a terrorist if I saw one. I've never seen nor heard of any kind of that activity, and I've traveled freely all over Libya. Since the Justice Department has interviewed a number of former Green Berets who have worked for me, they know I've never trained anyone to be a terrorist.

*Then what takes place in the camp in Benghazi, where ex-Green Berets are training Libyans?*

Benghazi is your basic Marine-like boot camp. We take Libyan draftees—raw, young, some barely teenagers—and we put them through a special 40- to 50-day operations course. It consists of map reading, how to operate a radio, squad and platoon practices, bayonet drill, marksmanship, hand-to-hand combat, first aid, aerial delivery of supplies by parachute and that kind of stuff. There are four or five former Green Berets there. But let me say, I'm sick and tired of hearing about how I'm training terrorists.

*Are the Libyan trainees involved with the use of explosives?*

Yes, there's about 12 hours of training in basic demolition, the kind that would be used to blow up bridges, roads or trees.

*What happens to these Libyans after they are trained? Do they go abroad?*

After training they continue in the Libyan Army as soldiers. They go, I guess, wherever the army goes.

*How would you describe the business you do here?*

Well, I represent OSI-SA, an import-export business in Tripoli. I'm very active in the oil-service business providing equipment like bits, tools and spare parts. We just signed a large contract to supply military uniforms. I'm currently dealing with a South Korean construction firm specializing in international trade—petrochemicals, electronics, textiles and that sort of thing. I'm also doing business with a large Western European steel and pipe company and an Italian construction and trading company.

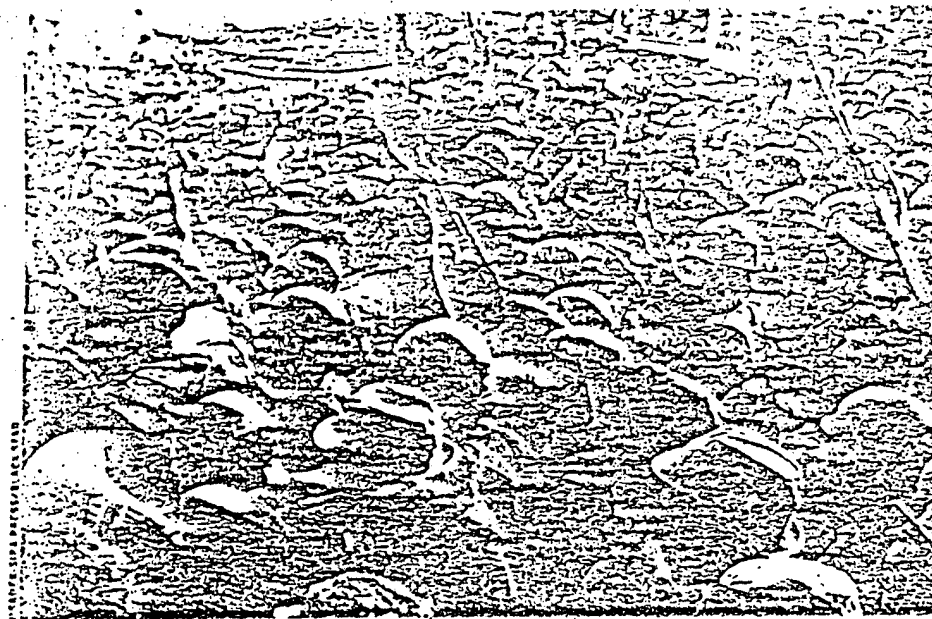
*Is this the company that was recruiting pilots and mechanics for the Libyan Air Force?*

called for 300,000 to 500,000. I never heard of those orders; maybe Terpil did. The actual order was for 300 to 400.

*Jerome Brower—who was indicted with you, pleaded guilty and spent four months in prison—has testified that you were also involved in the deal to supply explosives to Libya.*

I don't know what Mr. Brower claims. He was contacted by Frank Terpil to provide explosives for the training projects in Libya. The Libyans gave Brower an import license; after that, it was his responsibility to clear the shipment in the United States with the proper authorities and to make any other arrangements necessary for shipping. I introduced





Libyan troops carried posters of Qaddafi as they marched on Chad last December; two weeks ago they began a withdrawal.



Leonid Brezhnev greeted Qaddafi on an April visit to Tripoli. "The U.S. doesn't try to understand Libya," says Wilson.

Swiss-based. The name is SCFMO. It's owned by Middle East stockholders, who want to remain anonymous. It takes a lot of capital to operate here, so I had to have some backers.

*Why do foreign companies doing business with Libya come to you as a middleman?*

I have the proper staff, the telexes, the phones, and offices available in the villa. It's pretty elementary—I'm able to set up the appointments they need. I know how to get things done here, and that's what they're looking for.

*Are there many other companies here in the import-export business?*

No, not really. Because of nationalization, my company is one of the few that is still doing business in Libya.

*What are your dealings with Qaddafi?*

I have never met Colonel Qaddafi, and I have never operated at his level. I admire what he has done for his people in the way of economic progress in the last 10 years. He has bettered the standard of living of the common people, even down to the Bedouins. I think he's improved the quality of life here a great deal. On every level, whether it's agricultural, industrial, political or cultural, the Libyans are a lot better off than they were before. I've never seen a beggar here.

*What is your current income?*

Would any other businessman answer that question? Let me just say this: I've paid my income taxes every year, in the six figures. You know, a guy could get into real trouble if he doesn't pay his taxes. That's serious stuff. You don't mess around with the IRS. I've been lucky in my real estate deals in Virginia and I suppose that my property is worth somewhere around \$9 million or so.

*Frank Terpil says that you and he bribed members of the American military command in Iran to facilitate arms sales to that country. Did you?*

That is absolutely untrue. I paid off nobody. I made one trip to Iran with Terpil and he introduced me to a man named David. I heard that he was an agent for the KGB and I dropped the whole matter quickly.

*You have been accused of selling sensitive computer technology to Soviet KGB agents in Iran.*

Totally untrue. We have never exported high technology, nor attempted to.

*How did you get involved with Eugene Tafoya, who is on trial in Colorado for shooting a Libyan dissident?*

Tafoya was one of many ex-Green Berets, 75 or so, whom we hired at one time or another to provide training in Benghazi. He was only with us a couple of months and at the time there was no training going on. Tafoya didn't get along with the Libyans; he was kind of a strange character. In fact, I only talked to him once or twice in the month or so he was here. I asked him to leave. If he was contacted and hired by the Libyans to assassinate that student in Colorado, I am unaware of this activity, was not a party to it and in no way would have condoned it.

*But the authorities found your business card in his wallet.*

That wouldn't be unusual. Anyone who worked for the Swiss corporation probably would have my business card, which has on it my telex number and telephone numbers.

*One of your pilot recruits, John Anthony Stubbs, charges that he knows for a fact that you are the arms merchant of Libya. How do you respond?*

Stubbs was down here for about a month. He took one test hop in a C-130. We found out that he wasn't a qualified pilot, but maybe a copilot at best. He never flew anywhere. The Libyans put him in their copilots' school for a couple of weeks, and he flunked out of that. The guy is an out-and-out liar. He drank too much, burned his apartment and was released as a total incompetent after one month. We paid him one month's salary, which we were never reimbursed by the Libyans for, and he left.

*Kevin Mulcahy gave the grand jury testimony that led to your indictments. Why would your former colleague have testified against you?*

Mulcahy is really a pathetic figure, an alcoholic with mental problems. He wound up taking \$4,500 in cash out of my office the night he left. Because of this, in order to protect himself from the supposed revenge that Terpil and

would take, he fed Seymour Hersh of the *New York Times* the most unbelievable lies, fabrications and untruths.

*Mulcahy says that you met with three Cuban exiles in Geneva where you asked them to kill Umar Muhayshi, a dissident Libyan living in Egypt. Did you?*

I have no idea where any discussion about the killing of Muhayshi came up. Terpil and I did meet with some Cubans in Geneva. I offered them a job to come to Libya to assist in the anti-boo-by trap and mine field school. They turned down the job primarily because they did not like Terpil. I don't think I should comment on it any further at this time.

*If Stubbs and Mulcahy were drunks and Terpil was paranoid and Tafoya was a "strange character," as you allege, what does this say about you as a personnel recruiter?*

Four out of 200 isn't bad.

*Since your indictment, how many times have you been out of Libya?*

I've only been out of here twice in

the last couple of years. Once in 1930 to go to Malta to expand my business operations, and a couple of months ago to go to Rome for a meeting with the Justice Department and the FBI.

*What happened at that meeting?*

My case was discussed, but it's not appropriate for me to go into those details now. Justice has had no comment, so I won't either. But I do want to say one thing for certain, that there were no CIA agents present. I had no meeting there of any kind with the CIA, and as to any discussion about the reported plan to assassinate Colonel Qaddafi, that's more preposterous journalism. Justice knows it, the FBI knows it—ask 'em.

*How does your family feel about your situation?*

I have two fine teenage sons. In fact, one visited here last summer and wanted to stay. I made him go back and told him he had to finish college. They are both very supportive and know I haven't done anything wrong. My wife, Barbara, and I are in the midst

of a divorce. It's been rough on her. She's had to put up with all kinds of hate phone calls, calling me a traitor, anti-Semitic and the like.

*Do you think your life is in jeopardy?*

I never think about that. As you can see, we never lock our doors here, even at night. It's never been my philosophy to look over my shoulder, politically or physically.

*Will you return to the United States to stand trial?*

Yes, when the climate is right for a fair trial. Right now that would be impossible. As long as there's a great deal of anti-Libyan feeling in the United States, the press is going to continue to give my situation flamboyant and distorted coverage. The Justice Department has fed the press a continual diet of half-truths and leaks; I don't know what they hope to gain. I will go back when the time is right—but for the moment, I'm quite happy here. □

*"I don't feel safe anywhere," says one of Wilson's former pilots and chief accusers, John Anthony Stubbs.*

